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JOHNSON BAYOU RECREATION DISTRICT
OF CAMERON PARISH
JOHNSON BAYOU, LOUISIANA

ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

Year Ended December 31, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6-27-01

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INDEPENDENT AUDITORS' REPORT

May 23, 2001

Board of Commissioners
Johnson Bayou Recreation District of
Cameron Parish
Johnson Bayou, Louisiana

We have audited the accompanying general purpose financial statements of the Johnson Bayou Recreation District of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2000. These general purpose financial statements are the responsibility of the Johnson Bayou Recreation District of Cameron Parish management. Our responsibility is to express an opinion on these financial statements on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Johnson Bayou Recreation District of Cameron Parish as of December 31, 2000 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 23, 2001 on our consideration of Johnson Bayou Recreation District of Cameron Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Gragson, Casiday, & Guillory

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Combined Balance Sheet - All Fund Types and Account Group

December 31, 2000

| | GOVERNMENTAL FUND TYPE | ACCOUNT GROUP | TOTALS (MEMORANDUM ONLY) |
|---|---------------------------|----------------------------|--------------------------------|
| | GENERAL FUND | GENERAL FIXED ASSETS | |
| ASSETS | | | |
| Cash | \$ 103,326 | \$ - | \$ 103,326 |
| Receivables | | | |
| Ad valorem taxes (net) | 195,229 | - | 195,229 |
| State revenue sharing | 606 | - | 606 |
| Accrued interest | 364 | - | 364 |
| Inventory | 698 | - | 698 |
| Fixed assets | - | 965,079 | 965,079 |
| TOTAL ASSETS | \$ 300,223 | \$ 965,079 | \$ 1,265,302 |
| LIABILITIES AND FUND EQUITY | | | |
| Liabilities | | | |
| Accounts payable | \$ 10,637 | \$ - | \$ 10,637 |
| Accrued liabilities | 1,053 | - | 1,053 |
| TOTAL LIABILITIES | 11,690 | - | 11,690 |
| Fund Equity | | | |
| Investment in general fixed assets | - | 965,079 | 965,079 |
| Fund balances | | | |
| Reserved -- inventory | 698 | - | 698 |
| Unreserved and undesignated | 287,835 | - | 287,835 |
| TOTAL FUND EQUITY | 288,533 | 965,079 | 1,253,612 |
| TOTAL LIABILITIES AND FUND EQUITY | \$ 300,223 | \$ 965,079 | \$ 1,265,302 |

See accompanying notes.

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types

Year Ended December 31, 2000

| | GENERAL FUND |
|--------------------------------------|-------------------|
| REVENUES | |
| Ad valorem taxes - net | \$ 200,566 |
| State revenue sharing | 602 |
| Concessions income | 16,157 |
| Interest | 3,791 |
| Rentals | 1,700 |
| Intergovernmental | 1,011 |
| Other | 5,634 |
| TOTAL REVENUES | <u>229,461</u> |
| EXPENDITURES | |
| General Government | |
| Automobile | 3,970 |
| Bank charges | 101 |
| Insurance | 10,166 |
| Per diem | 540 |
| Professional fees | 1,947 |
| Repairs | 15,630 |
| Salaries | 67,669 |
| Special events | 10,798 |
| Supplies - concessions | 18,709 |
| Supplied - office | 2,841 |
| Supplies - other | 18,848 |
| Taxes | 5,544 |
| Telephone | 3,481 |
| Utilities | 21,124 |
| Capital outlay | 1,476 |
| TOTAL EXPENDITURES | <u>182,844</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | 46,617 |
| FUND BALANCE - BEGINNING | <u>241,916</u> |
| FUND BALANCE - ENDING | \$ <u>288,533</u> |

See accompanying notes.

GRAGSON, CASIDAY & GUILLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year Ended December 31, 2000

| | GENERAL FUND | | |
|---|-------------------|-------------------|--|
| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
| REVENUES | | | |
| Ad valorem taxes - net | \$ 205,000 | \$ 200,566 | \$ (4,434) |
| State revenue sharing | 350 | 602 | 252 |
| Concessions income | 15,800 | 16,157 | 357 |
| Interest | 2,500 | 3,791 | 1,291 |
| Rentals | 1,000 | 1,700 | 700 |
| Intergovernmental | - | 1,011 | 1,011 |
| Other | - | 5,634 | 5,634 |
| TOTAL REVENUES | <u>224,650</u> | <u>229,461</u> | <u>4,811</u> |
| EXPENDITURES | | | |
| General Government | | | |
| Automobile | 2,500 | 3,970 | (1,470) |
| Bank Charges | - | 101 | (101) |
| Insurance | 10,500 | 10,166 | 334 |
| Per diem | 600 | 540 | 60 |
| Professional fees | 2,000 | 1,947 | 53 |
| Repairs | 27,000 | 15,630 | 11,370 |
| Salaries | 77,000 | 67,669 | 9,331 |
| Special events | - | 10,798 | (10,798) |
| Supplies - concessions | 17,500 | 18,709 | (1,209) |
| Supplies - office | 2,600 | 2,841 | (241) |
| Supplies - other | 30,500 | 18,848 | 11,652 |
| Taxes | 4,500 | 5,544 | (1,044) |
| Telephone | 2,500 | 3,481 | (981) |
| Utilities | 17,000 | 21,124 | (4,124) |
| Capital outlay | 5,000 | 1,476 | 3,524 |
| TOTAL EXPENDITURES | <u>199,200</u> | <u>182,844</u> | <u>16,356</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | 25,450 | 46,617 | 21,167 |
| FUND BALANCE - BEGINNING | <u>241,916</u> | <u>241,916</u> | <u>-</u> |
| FUND BALANCE - ENDING | <u>\$ 267,366</u> | <u>\$ 288,533</u> | <u>\$ 21,167</u> |

See accompanying notes.

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Johnson Bayou Recreation District of Cameron Parish was created by the Cameron Parish Police Jury. The District is governed by a board of five commissioners who are appointed by the Cameron Parish Police Jury. The District establishes regulations governing the park, playground and community center and provides administration, management, maintenance and operations of the facilities.

The financial statements of the Johnson Bayou Recreation District of Cameron Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Johnson Bayou Recreation District of Cameron Parish includes all funds, account groups, et cetera, that are within the oversight responsibility of the Johnson Bayou Recreation District of Cameron Parish.

As the governing authority, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Cameron Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting

Continued

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the Cameron Parish Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Cameron Parish Police Jury.
2. Organizations for which the Cameron Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Cameron Parish Police Jury.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, Johnson Bayou Recreation District of Cameron Parish is a component unit of the Cameron Parish Police Jury's reporting entity.

2. Fund Accounting

The Johnson Bayou Recreation District of Cameron Parish uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Continued

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The following funds and group of accounts are used by the District:

Governmental Funds:

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. Governmental funds of the district include:

General Fund - the general operating fund of the District and accounts for all financial resources.

Accounts Group:

General Fixed Assets Account Group:

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

3. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Continued

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, state revenue sharing and interest.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2000 the District had \$105,132 in deposits (collected bank balances), of which all were secured from risk by federal deposit insurance.

5. Inventory

Inventory consists of expendable supplies held for resale. Inventories are valued at the lower of cost (first-in, first-out) or market.

Continued

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Budgets

A General Fund budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

Expenditures may not legally exceed budgeted appropriations at the activity level.

The budget was amended once during 2000.

7. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement. At December 31, 2000 the District's liability for compensated absences could not be reasonably estimated.

Continued

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

8. Total Columns on Statements

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - AD VALOREM TAXES

For the years ended December 31, 2000, taxes were levied on property with taxable assessed valuations as follows:

| | <u>Maintenance</u> | <u>Maintenance-Special</u> |
|--------------------|--------------------|----------------------------|
| Assessed valuation | \$28,141.75 | \$28,141,475 |
| Millage | 5.48 | 2.07 |

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Notes to Financial Statements

December 31, 2000

NOTE C - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

| | December 31, 1999 <u>Balance</u> | Net Additions | December 31, 2000 <u>Balance</u> |
|--------------------------|--|------------------|--|
| Land | \$ 18,203 | \$ - | \$ 18,203 |
| Buildings & improvements | 724,784 | - | 724,784 |
| Equipment | <u>220,616</u> | <u>1,476</u> | <u>222,092</u> |
| | \$ 963,603 | \$ 1,476 | \$ 965,079 |

NOTE D - PER DIEM

As provided by Louisiana Revised Statute 33:4504, the board members received \$10 per diem for each regular and special meeting attended, but shall not be paid for more than twelve meetings in each year.

| | |
|--------------------|------------|
| Boudreaux, Layne | \$ 120 |
| Harrington, Jimmie | 20 |
| Jinks, Derald | 120 |
| Rodrigue, Brenda | 120 |
| Sandifer, Scott | 40 |
| Young, Trudy | <u>120</u> |
| | \$ 540 |

NOTE E - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

May 23, 2001

Board of Commissioners
Johnson Bayou Recreation District of Cameron Parish
Johnson Bayou, Louisiana

We have audited the general purpose financial statements of the Johnson Bayou Recreation District of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2000, and have issued our report thereon dated May 23, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Johnson Bayou Recreation District of Cameron Parish financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Johnson Bayou Recreation District of Cameron Parish internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal

Johnson Bayou Recreation District of Cameron Parish
May 23, 2001
Page Two

control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and the Board of Commissioners and is not intended to be and should not be used by anyone other than these specified parties.

Gragson, Casiday & Guillory

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Schedule of Findings and Questioned Costs

December 31, 2000

1. Summary of Auditors' Results:

- a) Auditor issued an unqualified opinion on the financial statements.
- b) No reportable conditions in internal control over financial reporting and its operation were disclosed by the audit of the financial statements.
- c) No noncompliance which is material to the financial statements was disclosed by the audit of the financial statements.

2. Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

- None

3. Findings and Questioned Costs for Federal Awards

N/A

JOHNSON BAYOU RECREATION DISTRICT OF CAMERON PARISH

Summary of Prior year Findings

Year Ended December 31, 2000

There were no prior year findings.